REMARKS

Favorable reconsideration of this application is requested in view of the above amendments and the following remarks. Claims 1, 6, 10, 11, 15 and 16 are amended. Claims 5 and 9 are canceled. Claims 25-39 have been added. The new claims and the revisions to claims 1, 6, 10, 11, 15 and 16 are fully supported in the original claims of the application. Claims 1-4, 6-8, 10-16, and 25-39 are pending, with claims 1, 16, 25, 29, and 36 being independent.

Claim rejections - 35 U.S.C. § 103

Claims 1-15 stand rejected as being unpatentable over U.S. Reissue Patent No. RE37,666 (Kanekiyo) in view of U.S. Patent No. 5,350,628 (Kugimiya) and/or over JP 2-226799 (JP '799). Applicants respectfully traverse this rejection.

Independent claim 1 is directed to a composite magnetic body. The composite magnetic body includes metallic magnetic powder, thermosetting resin, and an electrical insulating material other than the thermosetting resin. The electrical insulating material contains at least one compound selected from an organic silicon compound, an organic titanium compound, and a silica-based compound.

Kanekiyo is directed to an iron-based magnet. Kanekiyo does not teach or suggest at least the feature of a magnetic composite body that comprises an electrical insulating material other than the thermosetting resin, with the electrical insulating material containing at least one compound selected from an organic silicon compound, an organic titanium compound, and a silica-based compound.

Neither Kugimiya nor JP '799 remedies the deficiencies of Kanekiyo. Both Kugimiya and JP' 799 are directed to soft magnetic materials. Kugimiya, however, also does not teach or suggest that the magnetic composite body comprises an electrical insulating material other than the thermosetting resin, with the electrical insulating material containing at least one compound selected from an organic silicon compound, an organic titanium compound, and a silica-based compound. Rather, Kugimiya teaches that an insulating thin coating film is *formed on the surface* of the metallic magnetic powder. *See, e.g.*, col. 6, lines 45-50.

JP '799 also does not teach or suggest that the magnetic composite body comprises an electrical insulating material other than the thermosetting resin, with the electrical insulating

material containing at least one compound selected from an organic silicon compound, an organic titanium compound, and a silica-based compound.

Accordingly, Applicants submit that claim 1 is allowable over the cited references. Claims 2-4, 6-8, and 10-15 depend from claim 1, and are believed allowable for the same reasons. Moreover, each of these dependent claims recites additional features in combination with the features of its respective base claim, and is believed allowable in its own right. Individual consideration of the dependent claims is respectfully requested.

Claim 16 stands rejected as being unpatentable over JP '799 in view of Kanekiyo and Kugimya. Applicants respectfully traverse this rejection.

Independent claim 16 is directed to a magnetic element and recites the features of claim 1 as identified above, except that the electrical insulating material is formed by one of the following:

- (a) the electrical insulating material contains at least one compound selected from an organic silicon compound, an organic titanium compound, and a silica-based compound;
- (b) the electrical insulating material is a solid powder with a mean particle size not exceeding one tenth of that of the metallic magnetic powder;
 - (c) the electrical insulating material is plate- or needle-like particles; and
- (d) the electrical insulating material is at least one selected from fatty acid salt, fluororesin, talc, and boron nitride.

As noted above with respect to claim 1, none of the cited references teach or suggest feature (a). Nor do the cited references teach or suggest features (b), (c), or (d). Accordingly, Applicants submit that claim 16 is patentable over the cited references.

New claims 25-39 are also believed patentable over the cited references. Independent claims 25, 29, and 36 each recite the features of claim 1 as identified above, except that the electrical insulating material is formed by one of the alternative arrangements—that is, (b), (c), or (d)—as recited in claim 16.

Accordingly, Applicants submit that new claims 25, 29, and 36 are allowable for the same reasons identified above with respect to claims 1 and 16. Moreover, dependent claims 26-28, 30-35, and 37-39 each depend from one of claims 25, 29, and 36, and are believed allowable for the same reasons.

In view of the above, favorable reconsideration in the form of a notice of allowance is requested.

Respectfully submitted,

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Date: October 15, 2003

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